

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 6 6 0 6 6 8 4

Company name in full Harjen Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Julian

Surname Pitts

3 Liquidator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

4 Liquidator's name ①

Full forename(s) Nicholas Edward

Surname Reed

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

② Other liquidator

Use this section to tell us about
another liquidator.

Notice of progress report in voluntary winding up

From date	^d 2	^d 5	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9	
To date	^d 2	^d 4	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0	

	<input checked="" type="checkbox"/> The progress report is attached	
--	---	--

Liquidator's signature	<div>Signature</div> 															
Signature date	d	1	d	7	m	1	m	2	y	2	y	0	y	2	y	0

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Jonathan Bird**

Company name **Begbies Traynor (Central) LLP**

Address **Fourth Floor**

Toronto Square

Post town **Toronto Street**

County/Region **Leeds**

Postcode **L S 1 2 H J**

Country

DX

Telephone **0113 244 0044**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

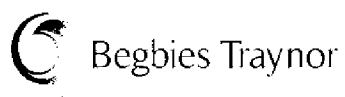
You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Harjen Limited **(In Creditors' Voluntary Liquidation)**

Progress report

Period: 25 October 2019 to 24 October 2020

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

This report has been produced during the Covid-19 HM Government restrictions. As a result, our access to information within our physical case files has been limited as our firm has implemented remote working wherever possible in line with HM Government guidance in order to protect its employees and to limit the spread of the virus. Consequently, this report has been prepared from information we are able to access remotely. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information in our next progress report.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Harjen Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 25 October 2013.
"the liquidators", "we", "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Nicholas Edward Reed of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Harjen
Company registered number:	06606684
Company registered office:	4th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address:	155 The Headrow, Leeds, LS1 5RB

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	25 October 2013
Date of liquidators' appointment:	25 October 2013
Changes in liquidator (if any):	Rob Sadler was replaced by Julian Pitts as Liquidator by an order of the court effective 9 May 2018

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 25 October 2019 to 24 October 2020.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

During the period covered by this report we have undertaken case and compliance reviews to ensure the Liquidation is being progressed in an appropriate and efficient manner. In addition, such reviews allow the Liquidators to consider their ongoing strategy in order to ensure it remains appropriate to progress the matter. Further information in respect of the ongoing matters is set out below.

We have also maintained our internal document management system in order to ensure that any decisions taken which may affect the final outcome of the Liquidation are fully documented.

During the period covered by this report we have paid the sum of £3,500 to Mazars LLP on account of pre-appointment fees incurred in placing the Company into Liquidation.

Compliance with the Insolvency Act, Rules and best practice

During the period covered by this report we have prepared our previous annual report, a copy of which has been filed with the Registrar and made available to creditors.

We have continued to regularly monitor realisations to ensure the bond is sufficient to protect the interest of members and creditors.

Investigations and Asset Realisations

Creditors may recall from our previous reports that our investigations have identified a number of transactions which, prima facie, appear to be subject to the Antecedent Transaction provisions of the Act. These transactions appear to give rise to claims against third parties.

Our review of these transactions, and the surrounding circumstances under which the Company entered into them, remains ongoing. Further, we are currently undertaking an analysis of certain of the Company's books and records which are relevant to the transactions under review.

In our previous report we confirmed that we had traced the Company's director who was appointed at the relevant time in respect of the above. We have corresponded with the director in respect of the above. In

association with their professional assistance in tracing the director, we have paid BTW (North) Limited the sum of £110.

The above matters are being progressed with the professional assistance of our solicitors, Womble Bond Dickinson, with whom we have held a telecon during the period. We will provide a further update in this respect when we are able to do so.

During the period covered by this report, bank interest in the sum of £19 has accrued on the balance of funds held in the Liquidation account.

Dealing with all creditors' claims (including employees), correspondence and distributions

During the period covered by this report, we have provided updates on the progress of the Liquidation to creditors on request.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

We have continued to prepare and submit tax returns to HM Revenue & Customs, as we are required to do.

Further, we have attended a telecon with our solicitors, Womble Bond Dickinson, as noted above in respect of the ongoing matters.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as Liquidators.

As noted in our previous reports, on the basis of realisations to date and estimated future realisations, the outcome for the Company's creditors remains wholly contingent on our ongoing investigations, including the validity of security granted by the Company.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a resolution of creditors at a meeting held 16 January 2015 by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 25 October 2019 to 24 October 2020 amount to £6,161 which represents 26 hours at an average rate of £240 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 25 October 2019 to 24 October 2020
- ☐ Begbies Traynor (Central) LLP's charging policy

To 24 October 2020, we have drawn the total sum of £15,000 on account of our remuneration, against total time costs of £99,720 incurred since the date of our appointment.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the Liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Disbursements

To 24 October 2020, we have also drawn disbursements in the sum of £526 against those incurred in the total sum of £649.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of our appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage	36.00
TOTAL	36.00

Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	Amount £
Begbies Traynor (Investigations) Ltd (formerly BTG Global Risk Partners), which is a member of the Begbies Traynor group, has provided professional assistance in association with the Liquidators' ongoing investigations.	700.00
TOTAL	700.00

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

We will continue to review the Liquidation and the progress thereof to ensure the matter is being progressed in an appropriate manner. Further, our agreed strategy will be regularly reviewed and updated as may be appropriate.

Compliance with the Insolvency Act, Rules and best practice

As previously advised, we are required by the Act to produce annual reports to provide an update to the creditors on the progress of the Liquidation.

We will also continue to review our statutory bond level by monitoring realisations and ensuring there is sufficient cover to protect the interests of the Company's members and creditors.

Investigations and Asset Realisations

As set out above, we are continuing to progress our investigations and recovery actions in line with our agreed strategy. This constitutes the assessment of claims against various parties and will continue to keep creditors apprised of our progress in this respect.

Any future realisations are wholly contingent on the success of these investigations and any recoveries which may be made in this respect.

Dealing with all creditors' claims (including employees), correspondence and distributions

We will continue to deal with all queries from creditors throughout the duration of our appointment.

Should realisations prove sufficient to allow a distribution to be made to creditors, we will take steps to adjudicate on creditors' claims and will advise accordingly.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel)

We consider it may be necessary to hold further meetings with various parties, including our solicitors, to progress our investigations and asset realisations. Furthermore, we will continue to submit Tax returns throughout the period of the Liquidation.

How much will this further work cost?

In view of the nature of the ongoing investigations discussed above, it is difficult to accurately predict the costs associated with the work that remains to be done. However, we anticipate costs in the next 12 months may be in the range of £7,500 – £12,500.

Expenses

As noted above, it is difficult to predict future costs associated with this case as a result of the ongoing investigations. Creditors will be kept apprised of all costs incurred in the Liquidation on an annual basis.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors' conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve month's time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'N Reed', with a long horizontal stroke extending to the right.

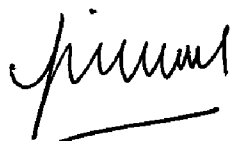
N Reed
Joint Liquidator

Dated: 17 December 2020

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 25 October 2019 to 24 October 2020

	From 25/10/2019 To 24/10/2020 £	From 25/10/2013 To 24/10/2020 £
ASSET REALISATIONS		
Bank Interest Gross	18.88	60.74
Deferred Consideration Settlement	NIL	84,313.30
Monies held on solicitor's client a/c	NIL	515.00
	<u>18.88</u>	<u>84,889.04</u>
COST OF REALISATIONS		
Agents/Valuers Fees (1)	NIL	700.00
Archiving	NIL	190.04
Investigation Costs	110.00	170.00
Land Registry Search	NIL	9.00
Legal Disbursements	NIL	164.82
Legal Fees	NIL	26,000.00
Mileage Costs	NIL	36.00
Office Holders Fees	NIL	15,000.00
Parking and Travel Costs	NIL	83.08
Pre-Appointment Liquidation Fees	3,500.00	3,500.00
Specific Bond	NIL	70.00
Stationery & Postage	NIL	5.82
Statutory Advertising	NIL	169.20
Subsistence	NIL	47.62
	<u>(3,610.00)</u>	<u>(46,145.58)</u>
	<u><u>(3,591.12)</u></u>	<u><u>38,743.46</u></u>
REPRESENTED BY		
Bank 1 Current		37,993.18
Vat Receivable		750.28
		<u><u>38,743.46</u></u>



Nicholas Edward Reed
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 25 October 2019 to 24 October 2020; and
- c. Cumulative Time Costs Analysis for the period from 25 October 2013 to 24 October 2020.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Prior to 1 December 2018, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	60 - 110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Womble Bond Dickinson	2,000.00	0.00	2,000.00
Storage Costs	Restore Plc	34.58	0.00	34.58

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal Fees	Womble Bond Dickinson	29,898.00
Legal Disbursements	Womble Bond Dickinson	164.82
Agents / Valuers Fees	BTG Global Risk Partners	700.00
Statutory Advertising	Courts Advertising Limited	169.20
Storage Costs	Restore Plc	291.46
Stationery and Postage	Argos	5.82
Bordereau	Marsh Limited	70.00
Travel and Parking	Various	83.08
Subsistence	Various	47.62
Mileage	Various	36.00